Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of	
AT&T Seeks FCC Consent to the Assignment and Transfer of Control of WCS and AWS-1 Licenses	WT Docket No. 12-240

REPLY OF LEVEL 3 COMMUNICATIONS, LLC

Level 3 Communications, LLC ("Level 3") files this reply to the Joint Opposition filed in the above-captioned applications by AT&T Mobility Spectrum LLC and New Cingular Wireless PCS, LLC, both indirect wholly-owned subsidiaries of AT&T Inc. (collectively, "AT&T"). Apparently having no substantive response to Level 3's comments or requested conditions, AT&T attempts to morph Level 3's comments into something which they are not, but to which AT&T *does* have an answer. AT&Ts arguments miss the mark, and Level 3 responds briefly below.

As of this filing, Level 3 has not sought intervention by the FCC into its disputes with AT&T over wireline interconnection, and its comments in this proposed transaction do not seek such intervention. Rather, Level 3's comments point out two undeniable facts: 1) that the proposed spectrum transfers would further the concentration of wireless spectrum into the hands of AT&T—another step towards an Verizon/AT&T duopoly in wireless communications (even more so given the rate of wireline and wireless convergence) and 2) that the transactions will increase the

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The two firms already capture more than 80% of the wireless industry's profits.

incentive of AT&T businesses (which is already present and being acted upon) to discriminate anti-competitively against Level 3 and other third-party content/service providers and carriers of competing content/services to AT&T's wireline and wireless networks and customers. Level 3's comments provided specific examples of how AT&T is already discriminating anti-competitively and, in connection with "transaction specific effects" relevant to this transaction—to wit, the continued spectrum stockpiling by AT&T which is furthered by this transaction—Level 3 requested specifically tailored and limited conditions aimed at addressing those transaction specific effects.

Rather than addressing those concerns, AT&T's opposition changes the subject. AT&T notes that the Commission will not address private commercial disputes in license transfer proceedings. This is true, and equally irrelevant. Level 3 is not asking the Commission to intervene in any commercial dispute it has with AT&T. Rather, it is asking for the conditions it requested on the proposed transaction for the reasons it requested them. As a defender of the consumer Internet, Level 3 has been, is, and will continue to be concerned about the power wielded by end user monopolies like AT&T and the complete control they have over the content they will allow to be seen and heard by the end users they control access to. These concerns will continue until they are effectively addressed.

Accordingly, Level 3 reiterates its request that the Commission impose the following conditions on AT&T in connection with its acquisition of more spectrum in connection with this transaction:

For a period of five years following the transfers of control and/or assignments from Comcast, Horizon and NextWave to AT&T:

Joint Opposition of Applicants and Motion to Dismiss of AT&T, Inc., Comcast Corporation, Horizon Wi-Com, LLC; NextWave Wireless Inc., and (4) San Diego Gas & Electric Company, WT Docket No. 12-240 (filed Oct. 11, 2012) ("Joint Opposition") at 7

- AT&T must interconnect with requesting Internet backbone carriers on reasonable and nondiscriminatory terms that are no less advantageous than the terms effectively provided to its affiliates. AT&T may not charge a requesting Internet backbone carrier for interconnection with its local wireless network infrastructure, local wireless core network facilities or local mobile switching locations for the exchange of traffic to and from subscribers served by these local network facilities.
- AT&T may not deny interconnection with any Internet backbone carrier or otherwise discriminate against such Internet backbone carrier based on the type of traffic exchanged, its source, its destination, the volume of traffic, the ratio of traffic that is sent or received or the technology used in its delivery. The location and technical configuration of interconnection points for the exchange of traffic between AT&T and requesting Internet backbone carriers must be technically, operationally and economically reasonable and nondiscriminatory, and in any event no less advantageous than as offered or provided to its affiliates.
- AT&T will take the appropriate steps to (i) maintain the interconnection capacity of the links between its wireless end users and any requesting Internet backbone provider so that interconnection capacity is adequate to handle traffic flowing over each interconnection point in existence as of the closing date, (ii) expeditiously augment such capacity as appropriate to exchange traffic without congestion over the interconnection points so as to assure delivery of Internet content to and from its subscribers over each interconnection point with a service quality no less advantageous than that offered or provided to its affiliates, and (iii) allow interconnecting parties to alter the location of or add interconnection points in a

technically feasible and reasonable manner that will permit the efficient exchange of Internet traffic.

Respectfully submitted,

/s/

Michael J. Mooney General Counsel, Regulatory Policy Level 3 Communications, LLC

Dated: October 22, 2012